



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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355 West North Temple

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Salt Lake City, Utah 84180-1203

801-538-5340

March 27, 1991

CERTIFIED RETURN RECEIPT

P 074 978 814

Mr. Bruce A. Czyl
Property Insurance Manager
USG Corporation
101 South Wacker Drive
Chicago, Illinois 60606-4385

Dear Mr. Czyl:

Re: Request to Amend Letter of Credit (_____, Northern Trust Company,
Jumbo Jensen Quarry, M/041/008, Sevier County, Utah

This letter is provided in response to your March 19, 1991 letter, wherein you proposed an amendment to the present Letter of Credit (LOC) from Northern Trust Company (LOC # _____) for the Jumbo Jensen Quarry. The Division has evaluated the proposed wording to amend the LOC and cannot accept it as written.

A Letter of Credit must remain in effect for a **minimum** of one (1) year before the Division and Board of Oil, Gas and Mining will consider approval of a LOC. A **minimum** of ninety (90) days written notice prior to the established expiration/renewal date is required to allow sufficient time for a mine operator to obtain a replacement reclamation surety, file it with the Division, have it processed and formally approved by the Board of Oil, Gas and Mining (Board).

The Division has developed a LOC form (last revised Sept/90), which has standard language that the Board is now requiring for all future sureties of this type. We have enclosed a copy for your future reference and use should you choose to replace the present LOC.

It is my understanding that you will inform Northern Trust Company accordingly, and that the present LOC will be renewed "as is" upon its upcoming expiration date (May 31, 1991). Consequently, no change in surety will take place at

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Mr. Bruce Czyl

Jumbo Jensen Quarry

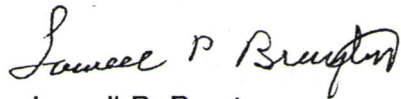
M/041/008

March 27, 1991

this time. Because we have been notified by Northern Trust Company of their intention to cancel the existing LOC, we will require written confirmation from your surety, no later than April 30, 1991, of their intention to renew the existing LOC. If we do not receive written confirmation, or a replacement reclamation surety from USG Corporation by this date, the Division or Board will be forced to take action to call the LOC. The Division cannot allow the mine to become unsecured for reclamation.

Thank you for your cooperation and understanding in this matter. Please contact me, or D. Wayne Hedberg of my staff should you have questions or concerns regarding this response.

Sincerely,

A handwritten signature in cursive script, reading "Lowell P. Braxton".

Lowell P. Braxton
Associate Director, Mining

DWH/jb

Enclosure

cc: Northern Trust Company

M041008.1